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UNCLAS SECTION 01 OF 02 HARARE 002700

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SUBJECT: ONLY 600 OF 4500 COMMERCIAL FARMERS STILL STANDING

REF: HARARE 2561

1. Summary. Given the chaotic nature of President Mugabe's fast-track land reform, it is no easy task to quantify this program. Of 4,500 white-owned commercial farms, our best guess is that 3,900 have closed down and 4,275 have been slated for resettlement. Despite GOZ claims that the land resettlement process is complete, farmers continue to receive new Section 8 acquisition notices, and others continue to come under eviction pressure from "third party" forces (e.g., war veteran, youth militia, or settler groups). Observers estimate that between 300,000 and 500,000 farm workers have lost their homes and jobs, despite press statements from Minister of Information Jonathan Moyo that "there are no displaced farm workers in Zimbabwe" -- which statement contradicts GOZ letters to the UN. The GOZ claims it has resettled 350,000 black farmers on the subdivided commercial farms, but based on anecdotal evidence and ad-hoc observation, we estimate that fewer than 100,000 have taken up residence and fewer than 40,000 are actually farming. As noted reftel, we believe it is difficult to view fast-track land reform as anything but a failure at this juncture. The controversial program will devastate tobacco production, formerly Zimbabwe's largest foreign exchange earner and top private sector employer. End summary.

2. Despite the GOZ's claims that land resettlement is a fait accompli, there is little indication that the process has reached equilibrium. Some commercial farmers have been granted temporary relief through the courts based on procedural defects in their acquisition orders, although most of these expect to receive new acquisition orders at any moment. Other commercial farmers -- 111 total, and at least twenty in the Karoi area according to one contact -- have received new Section 8 acquisition orders since November 1.

Actual Occupancy Difficult to Substantiate

3. Due to the fluid situation regarding validity of acquisition notices, geographical intensity of settler / war veteran activity, and individual resistance on the part of evicted farmers, there is no consensus as to how many commercial farmers remain on their property. There is similar lack of consensus on how many "new farmers" have been settled. Most observers concur that at least 95% of commercial farms (approximately 4,275 of 4,500) have received acquisition notices, although some farmers remain on their land and continue to resist acquisition through the courts with varying degrees of success. The closest estimate at this point is that approximately 600 commercial farmers are still attempting to produce something on their land, although more than half of those continue to struggle against actual seizure of their property. The GOZ continues to claim that 300,000 indigenous farmers have been resettled under the A1 small-holder model, and that 50,000 indigenous farmer have been resettled under the A2, or "new" commercial farmer, model. The true levels of resettlement lie far below these optimistic claims.

4. Occupation of resettled plots cannot be estimated with any certainty, but visits by Post personnel to affected areas indicate that productive cultivation of acquired farms is the exception rather than the rule. Even ZANU-PF supported news reports concede that convincing A2 "new farmers" to take up their plots has been difficult. It is less clear what proportions of A1 farmers are on the land, but the GOZ figure of 300,000 is almost certainly an exaggeration. Moreover, based on our personal observations, we believe that a substantial portion of these small-scale farmers have not planted a significant crop on resettled land. The pattern has been that plots containing buildings such as a homestead or barns are occupied quickly, while the majority of plots without such amenities remain abandoned. The impact that resettlement is having on individual agricultural sectors is slightly easier to quantify.

Commercial Farmers' Union Statistics

15. The Commercial Farmers' Union (CFU), battered by GOZ disdain and rocked by internal conflict, is desperately attempting to maintain some degree of relevance in the current chaotic situation. Many CFU farmers, once they have been evicted from their property, no longer maintain ties with or forward information regarding their situations to the CFU leadership. However, the CFU remains one of the few organizations attempting to quantify the situation of commercial farmers as a whole. The CFU claims that 90% of white commercial farmers have been formally dispossessed of their properties since the beginning of the land reforms in 2000. At this point, the organization estimates that 600 commercial farmers retain some physical control of their property, although many remain under threat of acquisition.

Commercial Tobacco Farmers Drop from 1,580 to 330  
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16. Tobacco, long an integral part of Zimbabwe's economy which accounted for up to a third of foreign exchange, deserves special mention. Zimbabwe produced its maximum output of 220 million kilograms of tobacco in 2000. During this last growing season, approximately 1,580 commercial farmers produced 148 million kgs of high-grade tobacco, while approximately 12,000 small-scale indigenous farmers produced 12 million kgs -- a reduction of 60 million kgs. Owing to experience and economies of scale, commercial growers can produce between 2,500 and 3,000 kgs per hectare, while small-scale growers generally produce around 1,000 kgs per hectare.

17. The Zimbabwe Tobacco Association (ZTA), an apolitical industry group whose survival depends on the success of small-scale growers, keeps fairly close estimates of tobacco grower activity. ZTA states that approximately 330 large-scale commercial growers are attempting to produce a crop during the next season. Of those commercial growers, the ZTA believes that at least half are facing continued GOZ attempts to acquire their land. The ZTA estimates that next year's tobacco crop could result in 70 million kgs, if commercial growers can maintain control of their land through the harvest and curing process. Other observers are predicting a maximum crop size of 20 to 30 million kgs. Although seed sales indicate that next season's crop could theoretically equal last year's yield, many factors suggest that this -- along with the GOZ's euphoric predictions of a 2003 crop in excess of 300 million kgs -- is merely wishful thinking.

Comment  
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18. According to the ZTA, tobacco is a chemical-intensive crop, requiring expensive insecticides and fertilizers throughout the growing period, and the "new" small-scale farmers (who, without title to their land, have little collateral for bank loans) have been given scant GOZ assistance. Additionally, many existing small-scale farmers previously received significant assistance from their commercial farmer neighbors in the form of tobacco seedlings, chemicals, and assistance with tillage. With the dispossession of the vast majority of the commercial farmers, much of this assistance has disappeared. Finally, production of the most valuable product -- flue-cured tobacco -- is a labor-intensive skill acquired through years of experience. Zimbabwean commercial farmers have been developing their skills over generations, and assuming that any farmer with a plot of land and a hoe can equal their quality or quantity of production is naive at best. While some tobacco will be produced, Zimbabwe's days as the biggest producer of flue-cured tobacco -- as well as the days when tobacco earned 30% of Zimbabwe's forex -- are finished.

19. Commercial farming has become a ghost industry, with operators few and far between, while hundreds of thousands of hectares of formerly productive fields lie barren and wasted under the husbandry of the "new farmers." Some small-scale, indigenous and new commercial farmers will succeed, and some may even be profitable. However, when weighed against the phenomenally productive and lucrative commercial farming sector of several years ago, even the GOZ will be hard-pressed to present these isolated successes as a victory.  
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